

Mark IV Realty: Based on the conference call we had on 5/14/97, and my follow-up calls to the Ameritech Billing Group and AHS Service Center, this does not appear to be an LCI account. Jim Styf is verifying the account information and will provide a written response under separate cover. This is conference call issue #29, and was mentioned in your letters of 5/9, 5/14 and 5/20.

Fox Valley Fire and Safety: Based on the conference calls we had on 5/5/97, and 5/12, and my follow-up calls to the AHS Service Center, it was determined that the original service order for this account had a requested due date of 12/20/96. The order was in "error status" until it was cleared on 4/28/97. LCI began to receive local usage for this account on 4/29/97. Jim Styf is reviewing the service order information and will provide a written response under separate cover. This is conference call issue #30 and was mentioned in your letters of 5/9, 5/14 and 5/20.

AEBS Timeliness: AHS makes every effort, but does not "guarantee", to provide AEBS information within two business days following issuance of the monthly bill. LCI's April bill was issued on time, on May 8, 1997 and the billing group planned to provide the AEBS information on the following Monday, May 12, 1997. However, the AEBS information could not be provided until May 16, 1997. I call the billing group several times a week to try to identify any anticipated delays in either LCI's monthly bill or AEBS information, and to keep you advised. This is conference call issue #9 and was mentioned in your letters of 4/29, 5/14, and 5/20.

Contract Request: During our 5/19/97 conference call you requested copies of all of Ameritech's retail contracts with "...term discounts/commitments." LCI's request for all Ameritech customer contracts is patently unreasonable. Ameritech has no obligation to provide you with its customer contracts and will not do so. This is conference call issue # 31 and was mentioned in your letter of 5/20.

Daily Usage Files: We have had numerous meetings and conference calls regarding the Daily Usage Files and I have provided LCI with the most current copies of the "Ameritech Retail Usage & Billing Interface" guide. The Ameritech billing group recently installed a software update to the CAMPS billing database. The software was designed to improve the effectiveness of CAMPS and was planned to be transparent to Reseller customers. I spoke with Dave Marlin on 5/23/97, and he confirmed that all of the DUF information has been received and that he did not anticipate any negative impact on LCI's billing schedule. This is conference call issue #7, and was mentioned in your letters of 4/9 and 5/20.

Embassy Executive: This was a Centrex customer in a grandfathered tariff with an expired contract when it was assumed by LCI. There were several service problems which were resolved and the customer was given a credit of \$224.02, which we agreed resolved the issue. This is conference call issue #22, and was mentioned in your letters of 4/28, 5/9, and 5/14.

Voice Messaging Extension: I sent LCI a Voice Messaging contract on 11/22/96, and at Susan Lord's request, we signed a Letter Of Intent (LOI) with an expiration date of 4/30/97. Kirsten Johnston asked to have the expiration date extended to 5/30/97, and I agreed. On 5/5/97, Mike Page asked to have the term of the LOI extended to 7/1/97. I called Mike, we discussed the issue and I agreed to this second extension. A letter is being prepared to formalize the extension and will be mailed to Mike. This is conference call issue # 3 and was mentioned in your letter of 5/9.

Coaches Hotline: We first discussed this issue on the 5/5 conference call and you faxed me a letter the same day, with a copy to Jim Styf, restating the issue. You requested a credit of \$903.50 for the customer because it appeared some of the numbers in the customer's hunt group had not been installed with the original order. MJO contacted Darlene Siejkowski who agreed to investigate. On the 5/27 conference call Jill Collins advised that AHS records indicate the hunt group appeared to be installed correctly. She agreed to investigate further and Bill Jones agreed to review LCI's service records. This is conference call issue # 32 and was mentioned in your letter of 5/5.

Indiana Resale: In a telephone conversation on 5/2/97, you advised that LCI planned to begin reselling Ameritech local exchange service in Indiana effective 5/15/97. As you know our Indiana Resale agreement was filed for approval in mid-May and that agreement is not in effect until it is approved by the Indiana Commission. In fact, both LCI and Ameritech met with the Commission staff last week regarding the effective and approval date for the agreement. This was not given a conference call number and was mentioned in your letter of 5/4.

ValueLink: We discussed ValueLink on the 4/21 conference call and have had several subsequent discussions regarding this product. You stated that LCI "...wants to be able to resell this service without assuming the contract or having the customer pay a penalty for terminating the contract." As I have informed you, Ameritech will not agree to waive termination liability payments that are part of an Ameritech agreement. You asked that the issue be continued as "Pending" on the conference call status report. This is conference call issue #23, and was mentioned in your letter of 5/2.

Warm Transfer and Inside Wiring: In your 4/29, letter you stated that "This issue has been documented in several letters to Ameritech and has been outstanding since October, 1996." We have advised on numerous occasions that these are optional services that Ameritech is not required to provide. I had the Product Manager on the conference call who advised that methods and procedures, pricing and contracts were being developed for these services and would be made available to LCI when they were completed. On 3/3/97, AITS and LCI signed an Ohio Resale agreement that would provide Warm Transfer in Ohio when it was available. I provided LCI with preliminary Warm Transfer prices on the 4/28/97 conference call, which was the soonest they were available, and requested that AITS Product Management mail you a copy of the final pricing and contract as soon as they were completed. LCI was also advised that Ameritech was eliminating the 611 repair number and LCI stated that they would have to consider how this would impact their interest in Warm Transfer service. The AITS Product Manager also advised that Inside Wire methods and procedures, pricing and contracts were being developed. Again, I have requested that AITS Product Management mail you a copy of the final pricing and contract as soon as they are completed. This is conference call issue #6, and was mentioned in your letter of 4/29.

USOC 1B8 Calls: LCI provided a list of customers they had assumed with 1B8 Illinois measured business lines, but stated that they were not receiving usage on these lines. We first confirmed that the service orders associated with these lines had been installed and then I forwarded the list to the Ameritech billing group to investigate. During the investigation it was determined that several of these lines were for modems on dial-in lines and had no outbound traffic. Several of the accounts have "TLI" billing arrangements with Ameritech which meant that all of the usage was combined under one BTN, so no usage was available on the associated WTNs. I arranged a conference call with LCI and the Ameritech billing group and they advised that several of the numbers were for pay telephones and one was for a residential customer. LCI also reported that they were now receiving usage for some of the other accounts on the original list. The data provided by the Ameritech billing group was forwarded to Dave Marlin who is to review the original list of accounts and advise if there are any remaining issues. This is conference call issue #19, and was mentioned in your letters of 4/9, 4/28, and 4/29.

DS1 Ordering Process: In a conversation on 4/24 and on the 4/28 conference call we discussed DS1 service and you requested the ordering forms and procedures. I contacted the AITS Service Center and had them faxed to you. On 4/29, you restated the request in a letter. In a telephone conversation later that day you advised that the original fax was not received. I called the Service Center and had the information re-faxed to you. I confirmed that you had received the information. This is conference call issue #25 and was mentioned in your letter of 4/29.

Yellow Page Advertising: In October, 1996, I worked with Tom Parrott from LCI and Sue Straley from Ameritech Advertising Services to complete a contract that covered LCI for Yellow Pages service in all Ameritech states for one year. We discussed Yellow Page advertising for end-user customers on 4/24 and on the 4/28 conference call. On 4/28, you sent me a letter restating what I had explained on that day's conference call:

"If the customer is currently being billed by Ameritech for their Yellow Pages advertising and the customer converts to LCI for local (and/or any other) service, Ameritech Advertising Services (AAS) will continue to bill the customer directly. You stated that even though the customer chooses LCI's local (and/or any other) service, the Yellow Pages advertising remains parts of AAS's function and AAS will bill them accordingly."

I forwarded your letter to AAS and confirmed that this is a correct statement in a Resale environment. However, in the last paragraph of your letter you state that, "It is solely up [sic] the responsibility of AAS to maintain this relationship with the customer." LCI may have additional responsibilities in an unbundled interconnection environment. This was conference call issue # 33 and mentioned in your letter of 4/28.

AIS Resale Service Center Confirmations: LCI advised that it is taking 5 to 8 days to get confirmation from the AIS Center that their orders have been written or rejected. An investigation determined that some LCI orders were being received with an incorrect ACNA code. LCI agreed to advise their LSOC group of the problem. On the 5/27 conference call Jill Collins advised that AIS tries to provide notification within two business days and LCI advised that notification is currently averaging three days. It was also explained that order confirmations, and a number of other service problems LCI has experienced, will be resolved when LCI completes "electronic bonding" with the AIS Resale Service Center. This is conference call issue # 34 and was mentioned in your letter of 4/28.

Sincerely,